To: Ecosystem Coordination Board and Other Interested Parties

Fm: Naki Stevens (DNR) on behalf of Josh Baldi (Ecology), Dave Andersen (Dept. Commerce), Margen Carlson (DFW) and Maryanne Guichard (Dept. Health)

State Agency Applications to EPA for Puget Sound Ecosystem Recovery Funding

Five state agencies coordinated their applications and submitted them October 29, 2010, to EPA for up to \$192 million over six years to implement strategies consistent with the Puget Sound Partnership Action Agenda in four areas of emphasis, marine and nearshore protection and restoration; watershed protection and restoration; toxics and nutrients prevention, reduction and control; and pathogens prevention, production and control.

This integrated strategy was developed using extensive input from the Puget Sound Partnership and our partners in federal agencies, tribes, local governments and NGOs. This input influenced our thinking on budget priorities and guided our plans for developing an integrated means of accessing funds. Our proposals center on a subaward process that facilitates the majority of the funding received from EPA being used to support projects, programs, and activities submitted to us in a competitive grant process. We are committed to implementing the strategies outlined in our proposals in a transparent fashion with regular and numerous opportunities for stakeholder involvement.

All four proposals have been provided to the Puget Sound Partnership for posting at www.psp.wa.gov. The summaries below are taken from the abstracts on the cover page of each proposal.

Implementation of Marine and Nearshore Strategies to Protect and Restore Puget Sound Departments of Fish and Wildlife and Natural Resources

The Washington Departments of Natural Resources and Fish and Wildlife will align their authorities, scientific and technical expertise, and programs to co-lead implementation of marine and nearshore protection and restoration actions consistent with the Puget Sound Action Agenda and recovery of the Sound to health by 2020. Through a competitive, transparent, and coordinated subaward process, DFW and DNR will invest in (1) an adaptive management framework of target-setting, action, evaluation, and adjustment to measure and accomplish marine and nearshore ecological improvements; (2) projects that increase the effectiveness of regulation and stewardship programs; (3) capital protection and restoration projects; (4) programs that address high priority threats; and (5) projects that are cross-cutting and address issues in two or more areas of emphasis. In all phases of implementation, DNR and DFW will work closely with the Puget Sound Partnership, Tribes, local and federal governments, non-governmental organizations, and other stakeholders.

Implementation of Watershed-Scale Strategies to Protect and Restore Puget Sound Departments of Ecology and Commerce

As a gateway to growing markets in Asia, Puget Sound will be a leading growth center for the United States economy. Puget Sound's population has doubled from 2 million to 4 million since 1960 and is projected to reach 5.4 million by 2025. If growth is directed to the right place and done in the right way, Puget Sound can benefit from the investments drawn to this growth. Our strategy is based on using sound science and on working in partnership with local governments, tribal governments and other regional entities to implement practical solutions that advance priorities A and B from the Action Agenda: *Protect intact ecosystem processes, structures and functions*; and *Restore ecosystem processes, structures, and functions*. Commerce and Ecology propose to implement programs across four activity areas: Watershed Characterization, Land Use and Working Lands, Strategies to Manage Stormwater and Strategies for Protection and Restoration.

Strategic Framework for the Prevention, Reduction and Control of Toxics and Nutrients Department of Ecology

Thousands of toxic chemicals are in use today. They are in the air, water, soil, animals, fish, and our bodies. Some toxic chemicals impair development, some affect reproduction, some cause cancer, others can be devastating to fish or other species. Nutrients occur naturally in the marine and fresh waters of the Puget Sound ecosystem, but human contributions of excess nutrients can lead to lower levels of dissolved oxygen as excess algae decompose. As Lead Organization, the Department of Ecology will work with various partners to develop and implement projects in line with the toxics and nutrients strategic framework identified in this proposal. The goal of this strategy is to protect and improve both human and environmental health in the Puget Sound ecosystem and to establish prevention as the smartest, most cost effective, and healthiest approach to reducing toxic threats and nutrient impacts.

Puget Sound Action Agenda Implementation: Pathogens Prevention, Reduction, and Control

Department of Health

This proposal will enable the Department of Health (DOH) to be the Lead Organization (LO) implementing priority activities to advance the Puget Sound Action Agenda (PSAA) in the area of pathogens prevention, reduction, and control. The primary purpose of funds received under this grant is to implement priority near-term action items identified in the PSAA. Focus areas include implementing local on-site sewage management plans, establishing sustainable local nonpoint pollution identification and correction (PIC) programs, and reducing pathogen loading by improving manure management. DOH will manage this six-year Pathogen program in partnership with the Washington Department of Ecology (Ecology), who will supply staff expertise to participate in overall program guidance and manage activities primarily in the water clean-up, wastewater treatment, and agricultural program areas. The Pathogen program will be closely coordinated with the Toxics and Nutrients program.

We expect EPA's decision on these applications around December 1st. If we are successful, we will be negotiating with EPA into January on detailed work plans for each proposal. We look forward to working with all of you to accelerate the region's work to recover the Sound to health by 2020. Please don't hesitate to contact any one of us if you have questions or comments.